VZCZCXRO5704

OO RUEHCN RUEHGH RUEHVC

DE RUEHBJ #4541 3490006

ZNY CCCCC ZZH

O 150006Z DEC 06

FM AMEMBASSY BEIJING

TO RUEHC/SECSTATE WASHDC IMMEDIATE 3024

INFO RUEHOO/CHINA POSTS COLLECTIVE

RUEAIIA/CIA WASHINGTON DC

RHEFDIA/DIA WASHINGTON DC

RHEHNSC/NSC WASHDC

RUEKJCS/SECDEF WASHINGTON DC

C O N F I D E N T I A L BEIJING 024541

SIPDIS

SIPDIS

E.O. 12958: DECL: 12/15/2016 TAGS: <u>PREL PGOV IN CE PK CH</u>

SUBJECT: PRC/INDIA: MFA SAYS NO CHANGE IN POSITION ON

U.S.-INDIA NUCLEAR COOPERATION AGREEMENT

REF: A. SAP20061214377002 14 DEC 06 \*\*B. BEIJING 05272

Classified By: Political External Unit Chief Edgard Kagan Reasons 1.4 (b/d).

- 11. (C) PRC views on the US)India civil nuclear agreement have not changed, MFA Arms Control and Disarmament Department Nuclear Division Deputy Director Xia Tian said when asked about Ref A report suggesting that China's MFA Spokesperson had characterized the agreement as "beneficial." Xia told poloff on December 14 that China supports peaceful nuclear cooperation between states provided that it is conducted in accordance with certain principles and upholds international obligations. Nuclear cooperation, he added, must be conducive to NPT safeguards. In his view, Beijing's position is "balanced." Xia said that he has not seen Ref A article and emphasized that the MFA spokesperson has consistently adhered to PRC policy. Contacts at the Indian Embassy in Beijing stated that China has not informed them of any change in its position regarding the nuclear agreement and noted that they had not seen Ref A article.
- 12. (C) MFA Asian Affairs Department's Indian Desk concurred with Xia's assessment, noting that the MFA Spokesperson submitted a written answer to the Indian press inquiry. MFA Asian Affairs Deputy Director Yang Xin provided the MFA Spokesperson's written response to the Indian press to poloff:

Begin informal translation:

Regarding the fields of civilian nuclear cooperation, no matter whether it is between two countries or many, all must uphold international standards and the goals and principles of nonproliferation. During Hu Jintao's visit, China and India announced a nuclear cooperation agreement, which will adhere to international principles. China is paying close attention to the U.S.-India nuclear cooperation agreement law that the U.S. Congress passed at the end of last week. We believe that each country's cooperation in the development of peaceful uses of nuclear technology should promote the principles and effectiveness of international nonproliferation controls.

End informal translation.

13. (C) Xia stated that some Nuclear Suppliers Group (NSG) countries have expressed concerns with the United States-India Agreement. When pushed, Xia acknowledged that China falls into this camp but is still evaluating the recently approved U.S. law and is considering all positions. Xia's statements are consistent with the PRC position espoused in early March 2006 (Ref B) that Beijing shares the

concerns of other NSG members that the U.S.-India Agreement could be seen as giving de facto Nuclear Weapon State status to India and could "unravel the NSG" as countries seek special exemption from the basic requirements of the international nonproliferation regime.

Randt